

Minutes of the Finance Committee

Wednesday, December 9, 2015

Chair Heinrich called the meeting to order at 8:15 a.m.

Present: Supervisors Jim Heinrich, Duane Paulson, Richard Morris, Steve Whittow, Bill Zaborowski, Eric Highum, and Larry Nelson.

Also Present: Chief of Staff Mark Mader, Legislative Policy Advisor Sarah Spaeth, Budget Manager Linda Witkowski, Senior Financial Analyst Rob Dunn, Emergency Preparedness Director Gary Bell, Business Manager Lyndsay Johnson, Inspector Jim Gumm, Deputy Inspector Torin Misko, Financial Analyst Joshua Joost, Accounting Services Coordinator Cynthia Lilley, District Attorney Sue Oppen, Human Resources Manager Jim Richter, Senior Human Resources Analyst Renee Gage, Airport Manager Kurt Stanich, Principal Assistant Corporation Counsel Erik Weidig, and Budget Specialist Bill Duckwitz. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of November 18

MOTION: Zaborowski moved, second by Highum to approve the minutes of November 18. Motion carried 7-0.

Next Meeting Date

- January 6

Chair's Executive Committee Report of December 7

Heinrich highlighted the following items discussed at the last Executive Committee meeting.

- Heard a report on the internal audit of Parks & Land Use cash handling.
- Reviewed information technology projects including the new elections system, County Board Room technology, Health & Human Services case management, etc.
- Ordinance 170-O-076 was withdrawn and Resolution 170-R-008 was tabled.
- Approved eight appointments to the new Bridges Library System Board.

Fund Transfer 2015-01: Emergency Preparedness – Transfer Funds From Operating Expenses to Personnel Expenses

Bell and Dunn were present to discuss this fund transfer. The department is projecting to need an additional \$50,000 due to higher than anticipated overtime costs related to employee turnover, employees out on short-term disability, and training of new telecommunicators. Higher overtime costs are partially offset by salary and benefit cost savings from position vacancies and turnover. Overtime expenses year-to-date versus 2014 are about \$74,000 lower, partially due to the department reducing minimum staffing requirements for some shifts based on LEAN scheduling project results. Also, the department's LEAN team has created a new scheduling system for 2016 that should reduce overtime expenses going forward. Funds are available because staff estimate that \$50,000 of system maintenance dollars will be available due to a delay in the implementation date of the new Communication Center console system.

MOTION: Nelson moved, second by Morris to approve Fund Transfer 2015-01, Emergency Preparedness. Motion carried 7-0.

Ordinance 170-O-078: Authorize The Waukesha County Sheriff's Department To Contract With The Town Of Delafield To Provide Police Patrol Services

Gumm discussed this ordinance which authorizes the Sheriff's Department to continue to provide police services to the Town of Delafield. All costs are fully covered by the Town. The contract term will be from January 1, 2016 through December 31, 2016 with the option to extend the contract by four one-year extensions. Based on the department's full cost recovery contract methodology, the Town will be expected to pay an estimated \$54,971 in fiscal year 2016. The Sheriff's budget includes \$27,257 of revenue to provide one shift one day a week of dedicated patrol service to the town in 2016. However, the town has requested an increase in their service to one shift two days a week of dedicated patrol service. The department is not requesting a budget modification to accommodate the additional day of dedicated patrol coverage because the request can be absorbed with existing staff and patrol contract schedules. There is no change in budgeted tax levy for 2016.

MOTION: Paulson moved, second by Zaborowski to approve Ordinance 170-O-078. Motion carried 7-0.

Fund Transfer 2015-01: Sheriff's Department – Transfer Funds From Interdepartmental Expenses to Personnel Expenses

Johnson indicated the department has experienced greater than budgeted spending on overtime expenses due to position vacancies. As of November 30, the department has exceeded the overtime budget by \$956,000 largely due to the need to pay overtime for shift coverage. The majority can be absorbed because of position vacancies, however, staff are requesting that \$180,000 be transferred from the interdepartmental appropriation unit to the personnel appropriation unit. These funds are available largely due to lower fuel cost per gallon.

MOTION: Whittow moved, second by Nelson to approve Fund Transfer 2015-01, Sheriff. Motion carried 7-0.

Fund Transfer 2015-15-01: Health & Human Services – Transfer Funds From Operating Expenses to Interdepartmental Expenses

Lilley said the interdepartmental charges budget appropriation for legal services is estimated to exceed budget by \$32,000. This is due to greater than anticipated needs in the Child & Family and Family & Adolescent divisions related to Corporation Counsel services for adoptions, children in need of protective services, and juveniles in need of protective services. However, due to anticipated federal funds totaling \$12,800, the net cost will be about \$19,000. In addition, service charges by Collections is estimated to exceed budget by \$43,800. Funds are available due to an AfterCare services contract reduction of \$50,000 as juvenile correctional placements are expected to be lower than budget.

MOTION: Paulson moved, second by Morris to approve Fund Transfer 2015-15-01, Health & Human Services. Motion carried 7-0.

Ordinance 170-O-077: Accept Violence Against Women Act – Services, Training, Officers And Prosecutors (Stop) Grant Funding And Modify The Waukesha County District Attorney's 2015 Budget

Opper discussed this ordinance which authorizes the District Attorney to accept this federal grant to fund a special prosecutor for the prosecution of cases involving violence against women. An annual grant of \$115,000 was awarded for October 1, 2015 through September 30, 2016 which is the first of three funding periods. Funding for the next two funding periods is guaranteed, as long as State and Federal reporting requirements are met. This ordinance also modifies the District Attorney's 2015 Budget for a prorated amount of \$15,500. Intergovernmental revenues will be increased to reflect the grant revenue. Operating expenditure appropriations will also increase as follows: \$10,337 for 5 weeks of a prosecutor costs, contracted with the State of Wisconsin; \$3,802 for office supplies; and \$1,361 for travel/training. This ordinance has no direct impact on the 2015 tax levy.

The full amount of \$115,000 is included in the 2016 adopted budget which represents the remainder of the first (2015-2016) funding period and a portion of the second (2016-2017) funding period. The program will be discontinued if funding does not continue in subsequent funding periods.

MOTION: Nelson moved, second by Whittow to approve Ordinance 170-O-077. Motion carried 7-0.

Ordinance 170-O-080: Approve 2016 Salary And Benefit Modifications For Non-Represented Employees

Richter discussed this ordinance which authorizes a 1.2% salary range adjustment increase for all non-represented County employees, effective December 26, 2015. This would include all employees except elected officials, certain temporary and seasonal categories covered by a separate ordinance, and those represented by the Wisconsin Professional Police Association. Including salary, retirement, social security, and pension and health plan changes, the total net increase is 0.42%.

This ordinance authorizes various increases in employee-paid deductibles and out-of-pocket maximums for the Choice Plus and HSA health insurance plans. Based on current enrollments, the annual savings to the County resulting from those changes is estimated at \$481,900.

The ordinance enacts four salary policy changes for 2016. Temporary employees assigned to an Open Structure classification will be eligible for a base salary increase if they achieve a performance rating of Commendable or Exceptional. The impact of this change will vary by temporary staffing levels and individual performance, and is estimated to be minimal. Also, Open Salary Structure employees will be eligible for a salary adjustment or base increase in cases of exceptional performance, the need to retain a critical employee or to maintain internal equity among employees in the same classification. The impact is estimated to be minimal due to the infrequency of such changes. Furthermore, the Clinical Director, Chief Psychiatrist or Psychiatrists assigned to work on weekends or holidays to conduct inpatient admission assessments will be eligible for compensation of \$650 per day. The impact of this change is estimated to be a savings due to the elimination of the need to employ contracted or agency doctors at significantly higher rates. The total savings will depend on the number of occurrences. And finally, temporary, on-call Psychiatric Technicians will be compensated at time and one-half of regular pay when working on a holiday. This is estimated to be cost neutral as the current practice is to require regular staff to work additional shifts to cover holiday hours at time and one half.

The ordinance lists 24 positions to be moved from Step to Open Salary Ranges. Since affected employees will be moved into the Open Range at the level of their current Step Range compensation, there will be no initial cost impact. Over time there should be a savings due to the slower pace of movement within the Open Range.

The annual net impact of all the provisions of the ordinance is estimated at \$333,670. The 2016 adopted budget includes sufficient funding for these changes.

MOTION: Paulson moved, second by Nelson to approve Ordinance 170-O-080. Motion carried 7-0.

Ordinance 170-O-079: Approve 2016 Salaries For Seasonal And Temporary Classifications

Richter discussed this ordinance which establishes new wage schedules for 19 seasonal and temporary classifications effective December 26, 2015. The 2016 estimated Countywide impact of the changes is approximately \$37,000. The increases average 1.4%. Parks Enterprise Funds accounted for about \$8,500 of the impact for an increase of about 1.5%. All other funds accounted for about \$25,500 of the impact for an increase of 1.33%. The impact of these changes was included in the 2016 adopted budget. Richter noted these employees did not receive an increase last year and it's appropriate it be done this year due to competition/staff shortages, particularly lifeguards.

MOTION: Nelson moved, second by Morris to approve Ordinance 170-O-079. Motion carried 7-0.

Ordinance 170-O-074: Approve Hangar Lease Agreement With Quad/Air, LLC At Waukesha County Crites Field

Stanich discussed this ordinance which authorizes a new agreement allowing Quad/Air, LLC (the lessee) to lease hangar space at the Waukesha County Airport for five years (2016 through 2020), with the option for the lessee to extend the agreement for two five-year periods. The amount of space leased would remain the same as in the previous contract at 130,000 square feet. For the first 18 months of the contract, the lease rate would remain the same at \$8,029 per month or about \$96,300 annually. Beginning in July 2017, the lease rate would increase to about \$8,589 per month or \$103,100 annually. If the lessee chooses to extend the lease at the end of 2020, lease rates will be adjusted annually per the Consumer Price Index. Under this lease agreement, the lessee will continue to be responsible for maintaining the property at their expense. One new provision requires the lessee to replace the roof at their expense, if necessary, although there is a provision for the County to proportionally payback this expense if the lease ends before the useful life of the new roof.

MOTION: Highum moved, second by Zaborowski to approve Ordinance 170-O-074. Motion carried 7-0.

Ordinance 170-O-075: Amend 2015 Airport Budget For One-Time Payment To Wesner Development DBA Snow Patrol

Stanich discussed this ordinance which amends the 2015 Airport budget to appropriate \$102,000 of Airport fund balance to pay for snow removal services that were performed but not invoiced by the contracted provider, Wesner Development DBA Snow Patrol, Inc., in 2009 through 2014. During that time, underspending in the snow removal budget resulted in about \$200,000 of Airport fund

balance, largely due to the snow removal contractor under-invoicing the County. Costs by Snow Patrol not invoiced totaled \$153,000. After validating invoices and discussions with Corporation Counsel and the Department of Administration, the County offered Snow Patrol \$102,000, resulting in a 24% discount, to which Snow Patrol agreed. The latest contract renewal with Snow Patrol includes a provision requiring them to provide timelier reporting of snowfall activity. Stanich praised Snow Patrol's timeliness and effectiveness in removing snow although he said there have been problems with their invoicing practices in the past.

Heinrich questioned why staff did not realize they weren't being billed for snow removal. Stanich said staff were looking to ensure the charges were valid and not if additional charges should have been included. He noted the County has put procedures in place to better document their snow removal activities and verify invoices. Whittow advised of concerns that were discussed at the Public Works Committee meeting although in the end, a consensus of that committee felt this was a viable vendor and controls have been put in place. Morris agreed and felt because the vendor's work was verified they should be paid and, ultimately, they did it at a 24% discount.

MOTION: Nelson moved, second by Morris to approve Ordinance 170-O-075. Motion carried 7-0.

Closed Session

MOTION: Paulson moved, second by Whittow to go into closed session at 10:05 a.m. pursuant to Section 19.85(1)(g), Wisconsin Statutes, to confer with staff and Corporation Counsel who is rendering oral advice concerning strategy to be adopted with respect to the potential compromise of pending litigation, William and Kathleen Reilley v. Waukesha County, Case No. 15-CV-366, and to approve the closed session minutes of August 6 and November 5, 2014. Motion carried 7-0.

The committee returned to open session at 10:25 a.m. to take up the following matter: Authorization of Settlement – William and Kathleen Reilley v. Waukesha County, Case No. 15-CV-366.

MOTION: Paulson moved, second by Morris to authorize a settlement of \$7,500 in the above-mentioned matter. Motion carried 7-0.

State Legislative Update

Spaeth gave an update on activities by the State legislature pertaining to state/federal funding for road projects, shoreland changes, and property rights.

MOTION: Morris moved, second by Paulson to adjourn at 10:40 a.m. Motion carried 7-0.

Respectfully submitted,

William J. Zaborowski
Secretary